

News Release

SAGARD ACQUIRES A STRATEGIC STAKE IN PERFORMANCE EQUITY MANAGEMENT

Transaction expected to bring Sagard AUM to over \$25 billion and provide PEM with enhanced growth opportunities

NEW YORK, Dec. 6, 2023 /CNW/ – Sagard, a global multi-strategy alternative asset management firm with over US\$15B in assets under management, signed a definitive agreement to acquire a strategic stake in Performance Equity Management (“PEM”), a private equity firm with over \$8.9B in assets under management and two decades of demonstrated success. The transaction combines PEM’s private equity fund of funds and co-investment expertise and strong investment track record with Sagard’s rapidly growing alternative investment offering and global network. Sagard’s investment in PEM marks its establishment of a fund of funds, secondary and co-investment platform. The agreement includes a path for Sagard to acquire all of the remaining equity of PEM on December 31, 2028.

PEM manages venture capital and private equity strategies through both commingled funds and Separately Managed Accounts (“SMAs”) for institutional clients and wealth management platforms.

On the importance of the partnership, John Clark, President of PEM, commented, “Sagard’s impressive growth trajectory since 2016 and its access to a powerful global ecosystem of partners and shareholders are two key reasons why we are excited to partner with their team. We are confident that our combination will enable significant strategic benefits, while allowing our investment team to continue delivering strong investment results as we have for two decades.”

“PEM has an impressive investment track record, high-quality team, and trusted long-term GP relationships. We look forward to leveraging our complementary capabilities to scale PEM’s existing business and to enter adjacent strategies,” said Paul Desmarais III, Chairman & CEO of Sagard. “Our acquisition of a strategic stake in PEM will enable Sagard to accelerate the development of its product offering to retail networks, wealth management firms, and family offices.”

PEM’s senior management team will continue to lead its business, including the execution of its successful investment strategy and management of its current commingled fund and SMA programs.

The partnership with PEM is the latest step in Sagard’s trajectory of becoming a leading alternative investment management firm globally. The addition of fund of funds and co-investment capabilities marks a significant expansion of the scope of Sagard’s activities, positioning the firm to provide its investors with a broader suite of alternative investment products and access to top-performing managers.

The transaction is expected to close during the first quarter of 2024 and is subject to regulatory approvals. The transaction will be funded with cash on hand.

About Performance Equity Management

Performance Equity Management (“PEM”) is a leading global, multi-product, private equity investment firm. PEM offers its clients access to a broad spectrum of private equity strategies, including venture capital, growth equity, and global small and mid-market buyouts through primary fund investments, co-investments and secondary investments. PEM provides this access through a variety of fund structures, including SMAs, commingled fund of funds and commingled co-investment funds.

PEM’s 33 employees are located in Greenwich, Connecticut. With \$8.9B in AUM, PEM’s senior team has successfully committed over \$29B to private equity strategies, including \$7.5B to venture capital and \$3.4B to over 175 co-investments.

About Sagard

Sagard is a multi-strategy alternative asset management firm with over US\$15B under management, 125 portfolio companies, and 350 professionals. We invest in venture capital, private equity, private credit, real estate, and royalties. We deliver flexible capital, an entrepreneurial culture, and a global network of investors, commercial partners, advisors, and value-creation experts. Our firm has offices in Canada, the United States, Europe and the Middle East.

Advisors to Transaction

Finn Dixon & Herling LLP served as legal advisor to Sagard on this transaction. Berkshire Global Advisors was financial advisor and Goodwin Procter LLP served as legal advisor to PEM.

For more information, visit www.sagard.com or www.peqm.com